

RD AN No. 4207 (1942-A)
August 24, 2006

TO: State Directors
Rural Development

ATTN: Community Program Directors

FROM: Russell T. Davis (*Signed by Russell T. Davis*)
Administrator
Housing and Community Facilities Programs

SUBJECT: Determinations on Availability of Other Credit

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) is being issued to provide a financial analysis tool for determination of other credit.

COMPARISON WITH PREVIOUS AN:

This AN replaces AN No. 4090 (1942-A) dated May 12, 2005, which expired on May 31, 2006.

IMPLEMENTATION RESPONSIBILITIES:

All employees must emphasize use of the Community Facilities (CF) guaranteed loan program when meeting with potential applicants for CF direct loans and grants.

EXPIRATION DATE:
August 31, 2007

FILING INSTRUCTIONS:
Preceding RD Instruction 1942-A

Facilities operated by nonprofit organizations, public bodies, or tribal entities develop budget projections using rates that are necessary to meet the cost of operating the facility, including debt payment and reserve deposits. Proper analysis of nonprofit organizations requires that consideration be given to financing a facility using conventional terms, including loan guarantees.

A spreadsheet to determine if other credit is available is located on the Intranet. Copies of the file may be downloaded from the Rural Development Intranet at http://rdintra.usda.gov/rhs_doclib.nsf by selecting CP Documents. Documents are filed under the heading Credit Analysis. If you are unable to obtain a copy of the electronic documents, please contact Dan Spieldenner at the following e-mail address: dan.spieldenner@wdc.usda.gov.

For questions concerning this AN, please contact Dan Spieldenner, Senior Loan Specialist, at (202) 720-9700.